



CITY OF ROUND ROCK, TEXAS
REQUEST FOR PROPOSAL
THIRD PARTY BENEFITS AND PLAN DESIGN

RFP No. 13-023

Addendum No. 2

Date of Addendum: April 26, 2012

Please note the answers to questions, clarifications, revisions or additions to the solicitation referenced above.

1. Do you have the current dental plan?
Answer: The SPD has been attached.
2. Can we get the actual SPD's as well? We saw the benefit overview, but we would like to review the entire SPD.
Answer: The SPD's have been attached.
3. Can you verify commissions?
Answer: All lines of coverage should be quoted net of commissions.
4. Do you think the group would seriously consider going fully insured on the dental and Vision?
Answer: Yes
5. Requested information on Rx - NDC; 2. Brand, Generic, or MAC; 3. Drug Name; 4. Member ID, Person Code; 5. Mail / Retail; 6. Pharmacy Provider; 7. Formulary / Non-formulary; 8. Rx Number; 9. Date Dispensed; 10. Quantity; Days Supply; 12. Total Amount Paid; 13. Co-pay; 14. Ingredient Cost; 15. Dispensing Fee; 16. Tax; 17. Usual & Customary; 18. AWP unit at the time of Fill (AWP provided by who?); 19. Discount off AWP; 20. MAC Unit Price
Answer: We will not be providing this information at this time as we have not requested a repricing of the Rx medications.
6. It looks this Sealed Bid is specifically asking for ASO Dental and Vision effective 1/1/14. Please confirm if the City is really willing to entertain fully insured. If so, we can quote and will need the following information. I'll need to get confirmation we are able to quote and honor rates that far out.
Answer: Please see the answer to Question #4
7. Dental & Vision census that includes zip codes and total eligible lives. If no census available, confirm the tier elections by coverage and total eligible lives. I do have the Dental tier totals only as of Dec 2012 on the lives report.
Answer: The census has been provided as of 4/15/2013. If you have not received the census, please send your request to Justine Griggs at jgriggs@holmesmurphy.com
8. Are retirees eligible for coverage? If so, how many? What is contribution level for retirees? Dental booklet/SPD that includes allocation of services and limitations.
Answer: There are 28 retirees. Medicare eligible retirees and/or Medicare eligible spouse and dependent are no longer eligible for coverage.
9. What is the Out of Network reimbursement level?
Answer: All SPD's have been attached. Please review the SPD for OON information.
10. Do you have the current aso rates
Answer: The medical ASO rate is \$34.00, the dental ASO fee is \$4.43 and the vision ASO fee is \$1.00.

11. Diagnosis and prognosis for each large claim listed on the 2012 large claims report.
Answer: This report is included as an attachment
12. Large claims report for the period 10/12 - current. Please include the amount, diagnosis and prognosis for each claim.
Answer: Please refer to Question #11.
13. Please explain Attachment F - The rfp information lists this attachment as "Sample Health Savings Account Schedule" but the plan listed does not meet the qualifications for a HDHP.
Answer: The City is no longer requesting a HSA plan. Attachment F is the plan summaries and rate information.
14. What is the current ISL amount?
Answer: The City is not requesting a Stop Loss Quote at this time.
15. Is it safe to assume that the stop loss will go out in a separate RFP or should we include it in our response?
Answer: Correct. The City is not requesting a Stop Loss quote at this time. A separate solicitation will be issued.
16. Did the City have any dental benefit changes during the experience reporting period (04/2010 - current)? If so, please send us the changes or summary of benefits for the prior dental plans.
Answer: There have been no changes to the dental benefits in the experience provided.
17. Also, there are tabs for medical, dental and rx disruptions but provider information was not included. Please forward this information to us, if a disruption is desired.
Answer: This information has been added to the medical and dental questionnaires. The questionnaires have been attached to this email.
18. What is the current Net Admin Fee (excluding Rx rebate and commission)?
Answer: Please refer to Question # 10.
19. What is TX Assessment charge on the Cost tab of 2013 Benefits Analysis?
Answer: \$.65 per employee per month.
20. As Aetna is the incumbent, we are assuming that we do not need to provide the disruption information requested for medical, Rx or dental? Please confirm.
Answer: All carriers must complete the disruption analysis.
21. Page 11 indicates that it is recommended that responses not be submitted in ringed binders or metal spirals. As hard copy submissions in ringed binders is our preference, please advise how we should present these hardcopies to you.
Answer: Customarily binders are discouraged for responses. The City recognizes the volume of information requested, however, and will accept 3-ring binders in this scenario.
22. Please confirm that a non-officer individual with the authority to bind Aetna to a contract is sufficient to sign all signature documents for our RFP response.
Answer: Confirmed. A non-officer with the authority to bind the firm to a contract is acceptable to sign all signature documents.
23. Page 11 indicates that materials should be clearly identified by tab and page number in the Table of Contents. Please confirm that sequential numbering within each tab is sufficient.
Answer: The City will accept sequential numbering but requests tab dividers for efficient evaluation.
24. Page 12 indicates that the Respondent Questionnaires are labeled as Attachment H. However, we see them labeled as Attachment J. Please confirm that Attachment J is correct.
Answer: Correct.
25. Please confirm where Aetna supporting documents, financial assumptions or samples should be located in your Table of Contents format.
Answer: An appendix located at the conclusion of the response is acceptable.
26. The financial statements being requested behind Tab#8 on page 12 of the RFP, can we supply those electronically only? Our financial statements are hundreds of pages long and would significantly contribute to the overall size of the paper materials being provided for our hardcopy response.
Answer: A condensed financial statement is recommended.

27. Page 10, Section 7. Optional Services – 7.2 Case Management services High-performing provider network engagement. Where would we provide a quote for our Aexcel Network in the RFP response?
Answer: Please enter all quotes / rate information on the appropriate plan Questionnaire attachment. The rate table can be copied and pasted on the Rates tab.
28. Page 10, Section 7. Optional Services, please confirm what is being requested in 7.7 “Remote site administrative inquiry and input capabilities”.
Answer: The City is requesting an online system for eligibility and enrollment that their employees can access.
29. Page 10, Section 7. Optional Services, please confirm what is being requested in 7.8 “Remote site electronic reporting capabilities”.
Answer: The City is requesting an online system to request and pull reports as requested. The City also requests online enrollment capabilities as well as capability to pull reports from an online system.
30. Page 11, Section 7. Optional Services, please confirm what is being requested in 7.16 “Actuary services”.
Answer: Actuary services would be defined as rate calculation, COBRA rate calculation, experience forecasting, etc.
31. Page 11 of the RFP indicates that “Information in excess of those pages allowed will not be evaluated”. Generally we like to provide an Executive Summary with our RFP responses. Please advise if an Executive Summary would be allowed, and if so, where we should present it in our response.
Answer: PART IV, #1.4, Tab #4 is an appropriate location for an executive summary.
32. In Attachment D, 8.7.3, please clarify your request for pooling reports. Are you requesting reports at 50% of the Individual pooling point
Answer: Correct.
33. Section A - Is it the City of Round Rocks intention to replace the High/Low plan options in attachment B with the plan design outlined in attachment F? If not, can you please outline which plan design option to quote?
Answer: The City is no longer interested in HSA options. The City is interested in a one plan option at this time.
34. Section B – Can you outline the alternate plan design to quote?
Answer: This is Attachment F.
35. Section B 5.1.4 - A 4-tier rate structure has been requested. What section of the RFP response should we outline this? What tier ratio should be used?
Answer: We need a tier structure of EE, ES, EC, Family as well as EE, EC, Family.
36. Please verify out-of-network R&C percentile, i.e. 90th percentile/80th percentile.
Answer: Out-of-Network R&C is paid at the 80th percentile.
37. Are the 35 or so retirees on the enrollment summary early retirees or Medicare eligible or combination of both? If so, how many are Medicare eligible?
Answer: There are no retirees on the plan that are Medicare eligible.

By the signatures affixed below this addendum is hereby incorporated into and made a part of the above referenced solicitation.

ACKNOWLEDGED

Vendor

Authorized Signature

Date

RETURN ONE COPY SIGNED COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE WITH YOUR SEALED PROPOSAL. FAILURE TO DO SO MAY AUTOMATICALLY DISQUALIFY YOUR RESPONSE FROM CONSIDERATION FOR AWARD.